## Horton, Bill

From: ient:

Fox, Thomas C. [TFox@ReedSmith.com] Wednesday, July 24, 2002 7:52 AM

Horton, Bill

o: Subject: RE: Healthsouth congressional strategy on group therapy

This is what I would say to Bill Owens (and Richard if I had the opportunity) Unless and until Transmittal 1753 is withdrawn, outside counsel is telling the company it faces substantial risk of false claims liability by not following that coding and billing policy for therapy effective July 1,2002. The company, through the Federation has raised with CMS the issues, and perhaps created questions in the mind of Tom Grissom NASL is about to take a position that is "four square" with the Company. Others would be likely to come aboard if a concerted approach is put together. NASL helps make the issue, not just a Healthsouth issue, but a professional/industry issue. It also makes it a Medicare beneficary issue. It presents a real opportunity for Healthsouth to move privately and publically on the issue and lead an effort for Congressional intervention. The Congressional "ask" is not unreasonable and should be hard for the Company's supporters to turn down--create a forum for the therapy professionals to provide public input on the policy and clear up the confusion created by HCFA/CMS.If the Company has support from key member of the Senate, now is the time to marshall that support. These key supporters, not their staffers, need to be approached by those who have the direct and personal relationships with the "ask." It is very reasonable. If more horsepower is needed, the company should recruit it, given what we understand the magnitude of the issue to be, and the ramifications. This strategy is used frequently and successfully by companys with similar problems who appear to have significantly less favorable relations with Members than Healthsouth. Talking simply to congressional staff now about modifying payments for CPT codes can be part of a rulemaking exercise, but that approach is not going to get the job done that ealthsouth needs now.

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----Original Message----From: Horton, Bill [mailto:Bill.Horton@healthsouth.com]

Sent: Tuesday, July 23, 2002 10:54 PM To: 'Fox, Thomas C.'

Subject: RE: Healthsouth congressional strategy on group therapy

I'm meeting with Bill Owens when he returns to town Thursday, and he is loing to talk with Eric Hanson. If you had your druthers, what what your preferred marching orders to Eric be?

> Confidential Treatment Requested by HealthSouth Corp.

HHEC16/0864

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From. Fox. Thomas C. [ mailto:TFox@ReedSmith.com <mailto:TFox@ReedSmith.com>
Sent: Tuesday, July 23, 2002 9:56 AM
To: Horton, Bill
Subject: Healthsouth congressional strategy on group therapy
Any decision on what we should tell Gary Capistrant to make his "ask"
priority?
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